

## Message Text

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43

ACTION EUR-25

INFO OCT-01 ISO-00 EB-11 L-03 TRSE-00 FCSC-01 OMB-01 FBO-01

SS-20 NSC-07 CIAE-00 INR-10 NSAE-00 RSC-01 IO-14

DRC-01 /096 W

----- 127628

R 121440Z JUN 74

FM AMEMBASSY PRAGUE

TO SECSTATE WASHDC 6384

C O N F I D E N T I A L PRAGUE 1330

E.O. 11652: GDS

TAGS: PFOR, EFIN, L/C, CZ, US

SUBJECT: CLAIMS NEGOTIATIONS -- SESSION 17

REF: PRAGUE 1308

1. AT 17TH NEGOTIATING SESSION ON JUNE 11, CZECH AND US DELEGATIONS FURTHER DISCUSSED PROPOSALS WHICH US MADE AT PREVIOUS SESSION AND AT MEETING WITH FOREIGN MINISTER CHNOUPEK. HEAD OF CZECH DELEGATION (ZANTOVSKY) OUTLINED IN MORE DETAIL HIS DELEGATION'S REACTION TO US PROPOSALS, PARTICULARLY CONCERNING ACCELERATOR CLAUSE, AND MAINTENANCE OF VALUE AND DOLLAR REVERSION CLAUSES IN PROHESAL ON SURPLUS PROPERTY INTEREST. HE MADE POINTS, HOWEVER, THAT CZECHS WERE NOT RAISING SUBSTANTIVE ISSUES BUT QUESTIONS TO BE RESOLVED BY FORMULATION AND THAT THEY WERE NOT REFUSING TO ACCEPT ANY OF US PROPOSALS.

2. ZANTOVSKY ASKED IF DOLLAR REVERSION CLAUSE INDICATED POSSIBILITY THAT US INTENDED NOT TO DRAW CROWNS FROM ACCOUNT. CHARGE REPLIED THAT US INTENDED TO DRAW CROWNS FROM ACCOUNT AND THAT CLAUSE WAS INCLUDED TO PROVIDE TERMINATION DATE FOR USE OF CROWNS IN KEEPING WITH US POLICY NOT TO ACQUIRE NON-CONVERTABLE CURRENCIES IN EXCESS OF SHORT-TERM NEEDS. ZANTOVSKY ALSO RESTATED CZECH OBJECTIONS TO INCLUSION OF ACCELERATOR CLAUSE IN AGREEMENT WITHOUT INCLUSION OF SPECIFIC GESTURE IN RETURN. (AFTER MEETING ZANTOVSKY CONFIRMED TO  
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CHARGE THAT \$20.5 MILLION LUMP SUM FIGURE AND 12-YEAR TERMS-

OF-PAYMENT WITH ACCELERATOR CLAUSE WERE ACCEPTABLE TO CZECHS.)

3. AT CLOSE OF MEETING ZANTOVSKY ASKED CHARGE TO MEET WITH HIM INFORMALLY ON JUNE 12 TO CLEAR UP SOME DETAILS AND DISCUSS TIMETABLE FOR REMAINING NEGOTIATING AND DRAFTING SESSIONS. (SUBSTANT OF CONVERSATION TO BE REPORTED BY SEPTEL.)  
WORTZEL

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** DEBT REPAYMENTS, NEGOTIATIONS, PROPERTY WAR CLAIMS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 12 JUN 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** boyleja  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1974PRAGUE01330  
**Document Source:** CORE  
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**Drafter:** n/a  
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**Executive Order:** GS  
**Errors:** N/A  
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**Office:** ACTION EUR  
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**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
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**Page Count:** 2  
**Previous Channel Indicators:**  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** n/a  
**Reference:** PRAGUE 1308  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** boyleja  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 17 APR 2002  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <17 APR 2002 by kelleyw0>; APPROVED <23-Sep-2002 by boyleja>  
**Review Markings:**

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EO Systematic Review  
30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** CLAIMS NEGOTIATIONS -- SESSION 17  
**TAGS:** PFOR, EFIN, CZ, US  
**To:** STATE  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005